

Chapter 15

Labour Relations and Workplace Safety

1.0 MAIN POINTS

This chapter reports the results of our audit of the Ministry of Labour Relations and Workplace Safety (Ministry) for the year ended March 31, 2013.

The Ministry complied with the authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing and had effective rules and procedures to safeguard public resources except for the following.

The Ministry needs to receive sufficient information from the Information Technology Office (ITO) to monitor the effectiveness of ITO's security controls to protect the Ministry's systems and data.

2.0 INTRODUCTION

The mandate of the Ministry is to enforce and promote awareness of labour standards and occupational health and safety. The Ministry also provides mediation and conciliation services to help resolve workplace disputes as well as advocacy services on behalf of injured workers.¹

As of March 31, 2013, the Ministry had 150.5 full-time equivalent positions within five divisions including Central Services, Labour Relations and Mediation, Labour Standards, Office of the Workers' Advocate, and Occupational Health and Safety.²

2.1 Financial Overview

As shown in **Figure 1**, in 2012-13, the Ministry spent \$17.1 million on its programs.

Also, in 2012-13, the Ministry had revenues of \$11.0 million, including \$10.7 million from the Workers Compensation Board under *The Occupational Health and Safety Act, 1993* for the costs of the Ministry's industrial safety program. Details of the Ministry's revenue and expenses are included in its annual report.³

¹ Ministry of Labour Relations and Workplace Safety, *12-13 Annual Report*, p. 3.

² *Ibid.*, p. 3.

³ See www.lrws.gov.sk.ca (30 October 2013).



Figure 1 – Major Programs and Spending

	Estimates 2012-13	Actual 2012-13
	(in millions)	
Central Management and Services	\$ 4.5	\$ 4.3
Occupation Health and Safety	7.7	7.5
Labour Standards	2.7	2.7
Labour Relations Board	1.0	0.9
Labour Relations and Mediation	0.8	0.8
Workers' Advocate	<u>0.7</u>	<u>0.8</u>
Total Appropriation	<u>17.4*</u>	<u>17.0</u>
Amortization of Capital Assets	0.1	0.1
Total Expenses	<u>\$ 17.5</u>	<u>\$ 17.1</u>

Source: Ministry of Labour Relations and Workplace Safety, 12-13 Annual Report

* During 2012-13, the Ministry obtained additional funds totalling \$0.5 million through a special warrant.

3.0 AUDIT CONCLUSIONS AND SCOPE

In our opinion, for the year ended March 31, 2013:

- ▶ **The Ministry had effective rules and procedures to safeguard public resources except for the matter described in this chapter**
- ▶ **The Ministry complied with the following authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Financial Administration Act, 1993
The Government Organization Act
The Human Resources, Labour and Employment Act
The Labour Standards Act
The Labour Standards Regulations, 1995 (Section 29 & 30)
The Occupational Health and Safety Act, 1993
The Public Service Act, 1998
The Public Service Regulations, 1999

The Purchasing Act, 2004
The Trade Union Act
Regulations and forms, Labour Relations Board (Section 30)
The Conciliation Board Regulations (Section 17)
The Wages Recovery Act
The Crown Employment Contracts Act
The Tabling of Documents Act, 1991
 Orders in Council issued pursuant to the above legislation

We used the control framework developed by the Canadian Institute of Chartered Accountants (CICA) to make our judgments about the effectiveness of the Ministry's controls. The CICA defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

Assessing the Ministry's rules and procedures to safeguard public resources includes assessing the design and effectiveness of the Ministry's control activities relating to revenue, payroll, payments, and financial reporting.

4.0 KEY FINDINGS AND RECOMMENDATIONS

In this section, we outline key observations from our assessments and the resulting recommendations.

4.1 Procedures for Removal of User Access Followed

We recommended that the Ministry of Labour Relations and Workplace Safety follow its established procedures for removing user access to its computer systems and data in a timely manner. (2012 Report – Volume 2; the Public Accounts Committee has not yet reviewed this recommendation)

Status – Implemented

The Ministry now follows its established procedures for removing unneeded user access to its computer systems and data.

4.2 Shared Service Agreement in Place

We recommended that the Ministry of Labour Relations and Workplace Safety sign a shared service agreement with the Ministry of Advanced Education. (2011 Report – Volume 2; Public Accounts Committee agreement June 25, 2012)

Status – Implemented

The Ministry signed a shared service agreement with the Ministry of Advanced Education on March 20, 2013 that adequately sets out the roles and responsibilities of each party.

4.3 Adequate Disaster Recovery Agreement in Place

We recommended that the Ministry Labour Relations and Workplace Safety (formerly part of the Ministry of Advanced Education, Employment and Labour) sign an adequate agreement on disaster recovery of computer systems and data with the Information Technology Office. (2008 Report – Volume 3; Public Accounts Committee agreement December 9, 2008)

Status – Implemented

The Ministry revised its memorandum of understanding (MOU) with ITO on January 10, 2013. The revised MOU specifies recovery time objectives for key Ministry systems.



4.4 Better IT Monitoring Needed

We recommended that the Ministry of Labour Relations and Workplace Safety (formerly part of the Ministry of Advanced Education, Employment and Labour) monitor the effectiveness of the Information Technology Office's security controls to protect the Ministry's computer systems and data. (2008 Report – Volume 3; Public Accounts Committee agreement December 9, 2008)

Status – Not Implemented

As previously reported and as with prior years, the Ministry is not receiving information from ITO regarding the effectiveness of ITO's security controls or how weaknesses at ITO could impact the Ministry's systems and data.